

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
)	
FRANCHISE GROUP, INC., <i>et al.</i> , ²)	Case No. 24-12480 (LSS)
)	
Debtors.)	(Jointly Administered)
)	
)	<u>Hearing Date:</u>
)	May 20, 2025 at 10:00 a.m. (ET)
)	
)	<u>Objection Deadline</u>
)	At the Hearing

**DEBTORS' MOTION
FOR ENTRY OF AN ORDER
AUTHORIZING THE DEBTORS TO EXCEED
THE PAGE LIMITATION REQUIREMENTS FOR
THE DEBTORS' MEMORANDUM OF LAW IN SUPPORT OF
AN ORDER CONFIRMING THE CONFIRMATION OF THE NINTH
AMENDED JOINT CHAPTER 11 PLAN OF FRANCHISE GROUP, INC. AND
ITS DEBTOR AFFILIATES AND OMNIBUS REPLY TO OBJECTIONS THERETO**

² The Debtors in these chapter 11 cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy's Newco, LLC (5404), Buddy's Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies "Plus", LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors' headquarters is located at 2371 Liberty Way, Virginia Beach, Virginia 23456.

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) file this motion (this “Motion”)³ for entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Order”), authorizing the Debtors to exceed the page limit requirement for the *Debtors’ Memorandum of Law (I) in Support of an Order (A) Confirming the Ninth Amended Joint Chapter 11 Plan of Franchise Group Inc. and Its Debtor Affiliates and (B) Approving the Global Settlement and Release of Claims and Causes of Action by and Among the Global Settlement Parties, and (II) Omnibus Reply to Objections Thereto* (the “Confirmation Brief”) filed contemporaneously herewith. In support of this Motion, the Debtors respectfully state as follows:

Relief Requested

1. The Debtors seek entry of an Order, substantially in the form attached hereto as **Exhibit A**, pursuant to rule 3017-3 of the Local Rules of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), authorizing the Debtors to exceed the page limit requirement for the Confirmation Brief.

Jurisdiction and Venue

2. The United States District Court for the District of Delaware has jurisdiction over this matter pursuant to 28 U.S.C. § 1334, which was referred to the United States Bankruptcy Court for the District of Delaware (the “Court”) under 28 U.S.C. § 157 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. The Debtors confirm their consent, pursuant to Local Rule 9013-1(f), to the entry of a final order by the Court in connection with this Motion to the extent that it is later

³ A detailed description of the Debtors and their business, including the facts and circumstances giving rise to the Debtors’ chapter 11 cases, is set forth in the *Declaration of David Orlofsky in Support of Debtors’ Chapter 11 Petitions and First Day Pleadings* [Docket No. 15] (the “First Day Declaration”). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the First Day Declaration, the *Ninth Amended Joint Chapter 11 Plan of Franchise Group, Inc. and Its Debtor Affiliates* (the “Plan”), or the Confirmation Brief, as applicable.

determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The statutory bases for the relief requested herein are section 105(a) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”) and Local Rule 3017-3.

Background

I. General Background

5. On November 3, 2024, each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors are operating their business and managing their property as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On November 5, 2024, the Court entered an order [Docket No. 88] authorizing the procedural consolidation and joint administration of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b) and Local Rule 1015-1. On November 19, 2024, the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed an official committee of unsecured creditors [Docket No. 188] (the “Creditors’ Committee”). On January 15, 2025, the Debtors appointed a fee examiner [Docket No. 747].

6. Additional information regarding the Debtors’ businesses, their capital structure, and the circumstances leading to the filing of the Chapter 11 Cases is set forth in the First Day Declaration.

Basis for Relief

7. Local Rule 3017-3 limits the length of a brief in support of confirmation of a chapter 11 plan to 60 pages, exclusive of any tables of contents and citations, without leave of court. *See* Del. Bankr. L.R. 3017-3. A brief, however, may exceed 60 pages with leave of the Court. *See id.*

Further, Local Rule 1001-1(d) provides that “the Court may modify application of the Local Rules in any case or proceeding in the interest of justice.” Del. Bankr. L.R. 1001(d).

8. The Debtors respectfully submit that authority to exceed the page limitations prescribed by Local Rule 3017-3 in connection with the Confirmation Brief is reasonable and appropriate under the circumstances. The Confirmation Brief presents the Debtors’ arguments for confirmation of the Plan, explaining at length both how the Plan satisfies the Bankruptcy Code’s confirmation requirements as well as why the objections to confirmation of the Plan should be overruled. The Confirmation Brief also presents the Debtors’ arguments for why the Global Settlement should be approved pursuant to Bankruptcy Rule 9019.

9. Given the complex issues surrounding the Plan and the Global Settlement, and the clear need for the Debtors to fully and thoroughly brief all issues concerning the confirmability of the Plan and the appropriateness of the Global Settlement, the Debtors seek authority to exceed the page limitations set forth in Local Rule 3017-3. Granting the relief requested will allow the Debtors to adequately provide the Court with a complete picture of the issues that will be before it at the Confirmation Hearing. Therefore, the Debtors respectfully request that the Court grant the relief sought by the Motion.

Notice

10. The Debtors will provide notice of this Motion to the following parties or their respective counsel: (a) U.S. Trustee; (b) the Creditors’ Committee; (c) counsel to the ABL Lenders; (d) counsel to the Ad Hoc Group of First Lien Lenders; (e) counsel to the Second Lien Term Loan Lenders; (f) counsel to the HoldCo Lenders; (g) counsel to the DIP Agent; (h) counsel to the DIP Lenders; and (i) any party that is entitled to notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

WHEREFORE, for the reasons set forth herein, the Debtors respectfully request entry of the Order, substantially in the form attached hereto as **Exhibit A** (a) granting the relief requested herein and (b) granting such other relief as this Court deems appropriate.

Dated: May 14, 2025
Wilmington, Delaware

/s/ Allison Mielke

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